

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301  
Indianapolis, IN 46204  
(317) 233-0696  
<http://www.in.gov/legislative>

**FISCAL IMPACT STATEMENT**

**LS 6935**

**BILL NUMBER: SB 251**

**NOTE PREPARED:** Jan 23, 2004

**BILL AMENDED:**

**SUBJECT:** Health Plan Evidence of Coverage.

**FIRST AUTHOR:** Sen. Lawson C

**FIRST SPONSOR:**

**BILL STATUS:** CR Adopted - 1<sup>st</sup> House

**FUNDS AFFECTED:** X GENERAL  
DEDICATED  
FEDERAL

**IMPACT:** State & Local

**Summary of Legislation:** This bill allows an accident and sickness insurer and a health maintenance organization to provide evidence of coverage in electronic or paper form.

**Effective Date:** July 1, 2004.

**Explanation of State Expenditures:** If allowing electronic submission of evidence of coverage reduces administrative expenses for insurers, the proposal could have an impact on state expenditures only to the extent that insurers or HMO's who contract with the state to provide health insurance pass all or part of the savings on to the state.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** The proposal could have an impact on local expenditures only to the extent that insurers pass all or part of any savings gained from electronic submission on to the local unit.

**Explanation of Local Revenues:**

**State Agencies Affected:** All.

**Local Agencies Affected:** Units providing health insurance to employees.

**Information Sources:**

**Fiscal Analyst:** Bernadette Bartlett, 317-232-9586.